

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



October 6, 1997

ALL COUNTY LETTER NO. 97-57

TO: ALL COUNTY WELFARE DIRECTORS
ALL AFDC PROGRAM SPECIALISTS

- ☐ State Law Change
- ☐ Federal Law or Regulation Change
- ☒ Court Order
- ☐ Clarification Requested by One or More Counties
- ☐ Initiated by CDSS

SUBJECT: IMPLEMENTATION OF THE ORTEGA v. ANDERSON DECISION IN THE
AID TO FAMILIES WITH DEPENDENT CHILDREN (AFDC) PROGRAM

REFERENCE: MPP 44-113.14, 44-133, 44-207

The purpose of this letter is to provide counties with the attached proposed emergency regulations, which will be effective December 1, 1997, and other materials and instructions necessary for implementation. These regulatory amendments implement the Ortega v. Anderson court order which requires the consideration of the unmet needs of an ineligible alien spouse when determining the amount of countable income for the assistance unit (AU).

OVERVIEW

On July 11, 1995, the Superior Court (Alameda County) issued a decision in the Ortega v. Anderson case. The court directed the California Department of Social Services (CDSS) to conform its policies to the holding of the California Supreme Court in Darces. The new policy requires that the needs of an undocumented live-in spouse must be considered when determining cash aid benefits. This decision was stayed during the CDSS's appeal. However, on December 11, 1996, the State's request for review by the California Supreme Court was denied.

The new regulations identify the following as ineligible alien family members when living in the same home: parent(s), spouse, and children who are siblings, half-siblings or step-siblings to the applicant/recipient child.

IMPLEMENTATION

Effective December 1, 1997, counties shall begin considering the needs and income of ineligible alien family members. Their needs will be met by including them in the family size for the Minimum Basic Standard Adequate Care (MBSAC) along with the members of the assistance unit for both income eligibility and grant computation. The income of ineligible alien family members will be countable, subject to income exemptions (see Section 44-111) and to specific income deductions presented in these proposed emergency regulations. Ongoing cases in retrospective budgeting will have their December payment reflect the change in treatment of income and needs based on what is reported in October. Please note

that this process to consider the needs and income of ineligible alien family members will change effective January 1, 1998, pursuant to CalWORKs implementation. Counties will receive further information and instructions regarding income and grant computation in subsequent All County Letters.

ORTEGA RETROACTIVITY

AFDC cases that have income and an ineligible alien spouse living in the home need to be evaluated for retroactive payments. Therefore, at redetermination or upon request of the AU, the county should review the case for eligibility and possible underpayment. The period of eligibility shall go back no further than the payment month of September 1995. Any underpayment issued as a result of the provisions of the Ortega court order is to be considered a corrective underpayment and is exempt from consideration as income and as property in the month received and the following month. Additionally, the underpayment is subject to balancing against any outstanding overpayment.

FORMS AND NOTICES OF ACTION (NOAs)

This letter transmits a copy of the TEMP CA 30, Budget Worksheet and NA forms that have been developed as a result of Ortega. See Attachment 1 for a copy of the CA 30 and an outline of the changes; and Attachment 2 for copies of the NA forms and other information such as NOA usage, updates to the NOA handbook and the availability of state stock, camera-ready copies and translations.

CONTACTS

If you have any questions regarding this letter or need further information, please contact the following staff:

Subject	Contact Person	Phone
AFDC Regulations	Jane Laciste	(916) 654-1047 or CALNET 464-1047
CA 30, NOAs, and NA Forms	Elizabeth Allred or Donna Morgan	(916) 657-3350 or CALNET 437-3350 (916) 654-5709 or CALNET 464-5709
Asian Translations	Language Services Bureau	(916) 654-1282 or CALNET 464-1282
Copies of NA Forms	Forms Management	(916) 657-1984 or CALNET 437-1984
<u>Ortega</u> Court Order	Vince Toolan	(916) 654-1808 or CALNET 464-1808

Sincerely,



BRUCE WAGSTAFF
Deputy Director
Welfare to Work Division

Amend Section 44-113 to read:

44-113 NET INCOME (Continued)

44-113

.14 ~~Deduction for an Ineligible Alien Child(ren) Living in the Home of an Aided Parent~~

~~.141 When an ineligible alien child(ren) is living with an eligible sibling or half-sibling, a deduction shall be allowed from his/her aided parent's income. The deduction to meet the unmet needs of an ineligible alien child(ren) shall be equal to the difference between a Minimum Basic Standard of Adequate Care (MBSAC) for the assistance unit with the ineligible alien child(ren) included, and the MBSAC for the assistance unit only. The maximum deduction shall be reduced by the net nonexempt income, if any, of the ineligible alien child(ren) up to the differential amount attributed to that child(ren) with income.~~

~~.142 When there is insufficient income based on the Ineligible Alien Parent computation in Section 44-133.52 to meet the entire needs of an Ineligible Alien Parent Unit and the Ineligible Alien Parent Unit contains ineligible alien children of the aided parent, the county shall:~~

~~(a) Determine the amount of unmet need resulting from insufficient Ineligible Alien Parent income by subtracting the amount of net nonexempt income from the difference between the MBSAC amount for the Ineligible Alien Parent Unit with the Assistance Unit, and the MBSAC amount for the Assistance Unit only. This unmet need shall be treated in accordance with the comparison required in Section 44-113.144(c)(1).~~

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~~(1) Example: Determining Unmet Needs for Ineligible Alien Children:~~

Computation Factors

Ineligible Alien Parent Unit

~~Ineligible Alien Parent Unit consists of the ineligible alien parent and two ineligible alien children in common with the aided parent. The aided parent's AU includes the aided parent and one child who is the half-sibling of the two ineligible alien children. The ineligible alien parent works part time with net nonexempt income of \$300.~~

Computations

\$979 MBSAC for 5 persons (Ineligible Alien Parent Unit and the AU).
-583 MBSAC for 2 (AU).
\$396 MBSAC differential
-300 Net nonexempt income of the ineligible alien parent.
\$ 96 Amount of potential Unmet need to be compared to Section 44-113.141.

HANDBOOK ENDS HERE

- ~~.143~~ Where there is an unaided parent of an ineligible alien child(ren) in the home who is not an Ineligible Alien Parent as defined in Section 44-133.5, and that parent is: a parent in common with the aided parent, not a parent of an aided child, and not married to the aided parent, the county shall determine the extent to which that parent's income meets the needs of his/her ineligible alien child(ren) through the application of the provisions in Section 44-113.142 above.
- (a) In applying the Ineligible Alien Parent provisions pursuant to Section 44-113.143, only the extent to which the unaided parent's income meets the needs of the ineligible alien child(ren) shall be considered; no income from this unaided parent shall be deemed to the AU.
- ~~.144~~ The deduction for the ineligible alien child(ren) is allowed from the aided parent's income only when:
- (a) The ineligible alien child(ren) is not included in a Stepparent or Ineligible Alien Parent Unit, or
- (b) The Ineligible Alien Parent has no income, or
- (c) The Stepparent or Ineligible Alien Parent has insufficient income to meet the needs of ineligible alien child(ren) he/she has in common with the aided parent:
- (1) The deduction allowed from the aided parent's income shall be the lesser amount between that established in Section 44-113.141 and the amount determined in Section 44-113.142(a) concerning unmet needs of ineligible alien children.
- (d) The ineligible child(ren)'s net nonexempt income is not sufficient to meet his/her needs.

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- ~~145~~ Determining the amount of the deduction from the aided parent's income for his/her ineligible alien children.

Computation Factors

- ~~—AFDC-AU consists of mother and one aided child.~~
- ~~—Ineligible Alien Parent Unit consists of Ineligible Alien Parent father and two ineligible alien children in common with the aided mother.~~
- ~~—Ineligible Alien Parent Unit has an unmet need of \$96 based upon the computation in Section 44-113.142(a).~~
- ~~—Aided mother has \$500 net nonexempt income.~~

Computation

- ~~\$858—MBSAC for the number of aided persons (mother and one aided child) plus the number of ineligible alien children in common with the Ineligible Alien Parent (two children) for a total of four persons.~~
- ~~—\$583—MBSAC for the number of aided persons only (mother and one aided child) for a total of two persons.~~
- ~~= \$275—Subtotal~~
- ~~—\$0—All combined income of the aided parent's child(ren) in the Ineligible Alien Parent Unit.~~
- ~~= \$275—Potential deduction from the aided parent's income. Compare to unmet needs in Section 44-113.142(a).~~

The deduction from the aided parent's income is the lesser amount between the unmet need of the Ineligible Alien Parent Unit (\$96) and the potential deduction from the aided parent's income (\$275). Thus, the deduction allowed from the aided parent's income would be \$96.

HANDBOOK ENDS HERE

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10553, 10554, 10790, 10791 and 11008.19, Welfare and Institutions Code; 45 CFR 233.10; 45 CFR 233.20(a)(3)(ii)(C); 45 CFR 233.20(a)(3)(vi)(A); 45 CFR 233.20(a)(6)(v)(B); 45 CFR 233.20(a)(11); 45 CFR 233.20(a)(11)(D); 45 CFR 255.3; and Darces v. Woods (1984) 35 Cal. 3d 871; and Ortega v. Anderson, Case No. 746632-0 (Alameda Superior Court) July 11, 1995.

Amend Section 44-133.5 to read:

44-133 TREATMENT OF INCOME -- AFDC (Continued)

44-133

~~.5 Income in Cases Where an Ineligible Alien Parent(s) Resides in the Home~~

~~Regulations concerning income to the Assistance Unit (AU) from an Ineligible Alien Parent (see Section 44-133.52) apply only when the Ineligible Alien Parent resides in the home with his/her aided child(ren).~~

~~An Ineligible Alien Parent is a natural or adoptive parent of an aided child who is not eligible for assistance because he/she is not a citizen or eligible alien. See Section 42-431.~~

~~An alien being naturalized under the Immigration Reform and Control Act of 1986 (IRCA), who has not met the alien eligibility factor (See Section 42-431.2), shall have income deemed to the assistance unit using the Stepparent Deeming provisions of Section 44-133.63.~~

~~.51 Composition of Ineligible Alien Parent Unit~~

~~.511 The Ineligible Alien Parent Unit may include, in addition to the Ineligible Alien Parent, any of the following individuals:~~

- ~~(a) His or her spouse;~~
- ~~(b) His or her separate children;~~
- ~~(c) The child(ren) he or she has in common; or~~
- ~~(d) Any other persons residing in the home who may be claimed by the Ineligible Alien Parent as dependents for federal income tax purposes.~~

~~.512 No individual may be included in the Ineligible Alien Parent Unit who:~~

- ~~(a) Is included in an AU; or~~
- ~~(b) Has been excluded from the AU pursuant to the provisions of Section 44-133.31.~~

~~.52 Computation of Income to the AU~~

~~.521 The Ineligible Alien Parent's income deemed available to the AU is determined as follows:~~

~~(a) Determine the Ineligible Alien Parent's net nonexempt income according to the provisions in Chapter 44-100.~~

~~(1) When determining net earned income, the Ineligible Alien Parent shall be entitled to the work expense disregard.~~

~~HANDBOOK BEGINS HERE~~

~~(A) See Section 44-113.214 regarding the Work Expense Disregard.~~

~~HANDBOOK ENDS HERE~~

~~(2) The dependent care expense disregard, the \$30 and 1/3 disregard, and as applicable in control cases of the California Assistance Payments Demonstration Project, the \$30 disregard shall not be allowed.~~

~~HANDBOOK BEGINS HERE~~

~~(A) See Sections 44-113.215, .216, and .217 regarding the \$30 and 1/3 disregard, the \$30 disregard, and the dependent care expense disregard, respectively.~~

~~HANDBOOK ENDS HERE~~

~~(b) Deduct any amounts actually paid by the Ineligible Alien Parent to persons not living in the same home but who are, or could be, claimed by him/her as dependents for purposes of determining his/her federal personal income tax liability.~~

~~(c) Deduct any child support and alimony payments made by the Ineligible Alien Parent to persons not living in the home.~~

~~(d) Deduct an amount equal to the difference between the MBSAC amount plus any special needs, if applicable, for members of the AU, with the Ineligible Alien Parent Unit, and the MBSAC amount for the AU.~~

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~~.522 Example: Ineligible Alien Parent Income to the AU~~

Computation Factors

- ~~----- Ineligible Alien Parent Unit consists of two persons (Ineligible Alien Parent and one ineligible sibling of an aided child.)~~
- ~~----- AFDC-AU consists of two persons (the eligible mother and the mother's aided child.)~~
- ~~----- The Ineligible Alien Parent earns \$900 within the month from part-time employment.~~
- ~~----- The Ineligible Alien Parent pays \$100 per month child support for his son who resides with the Ineligible Alien Parent's ex-spouse.~~
- ~~----- No other payments are made by the Ineligible Alien Parent to persons living outside the home.~~

Computation

\$900	gross income of Ineligible Alien Parent
<u>-90</u>	less standard work expense disregard
\$810	
-100	less child support paid
\$710	net income
\$858	*MBSAC for 4 (AU plus Ineligible Alien Unit)
<u>-583</u>	*MBSAC for 2 (AU)
\$275	MBSAC Differential
\$710	net income
<u>-275</u>	less MBSAC Differential
\$435	Ineligible Alien Parent Income Deemed to the AU

~~*----- Amount subject to change. See Section 44-315.311 for current applicable amounts.~~

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~~-523 Refer to Section 44-113.142 for the determination of unmet needs of Ineligible Alien Children.~~

Income in Cases Where an Ineligible Alien Family Member(s) Resides in the Home

- .51 Ineligible Alien Family Members in the Home The county shall determine if any of the following ineligible alien family members are living in the home and are not included in the AU.
- .511 Child(ren) A child(ren) who is a sibling, half-sibling or a step-sibling to the applicant/recipient child, and
- (a) All siblings, half-siblings or step-siblings of the child(ren) listed in Section 44-133.511.
- .512 Parents The parent(s) of:
- (a) The above child(ren),
- (b) A child(ren) in the AU.
- .513 Spouse The spouse of:
- (a) The above parent,
- (b) The aided parent,
- (c) An aided child.
- .52 Treatment of the Needs of Ineligible Alien Family Members The county shall include the ineligible alien family members in the family size when determining the MBSAC amount for the AU.
- .521 Common Person When an ineligible alien family member shares the same familial relationship with more than one AU and the members of the AUs live in the same home, the caretaker relative shall determine in which AU the needs of the non-AU family member shall be considered.

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- (a) A mother with one child (AU #1) has an ineligible alien child in common with the unmarried father who has one child (AU#2). The ineligible alien child in common has no deprivation and shares the same familial relationship with both AUs. In this situation, the caretaker relative shall decide in which AU the ineligible alien common child's needs shall be considered pursuant to 44-133.52.

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<u>.53</u>	<u>Treatment of Income of Ineligible Alien Family Members</u>	<u>The county shall determine the net nonexempt income of ineligible alien family members in the following manner.</u>
<u>.531</u>	<u>Determine Net Income</u>	<u>Determine the net nonexempt income of each ineligible alien family member according to the provisions in Chapter 44-100.</u>
	<u>(a)</u>	<u>When determining net nonexempt earned income, each employed family member shall be entitled to the work expense disregard.</u>
	<u>(b)</u>	<u>The dependent care disregard and the \$30 and one-third disregard and the \$30 disregard shall not be allowed.</u>
	<u>(c)</u>	<u>Deduct any amount actually paid by each family member to persons not living in the home but who are, or could be, claimed by the family member as dependents for purposes of determining federal income tax liability.</u>
	<u>(d)</u>	<u>Deduct any court-ordered child and spousal support paid by the family member to persons not living in the home.</u>
<u>.532</u>	<u>Remainder</u>	<u>The remainder is net nonexempt income to the AU for eligibility and grant amount determination. The needs of the ineligible alien family members shall be included pursuant to Section 44-133.52.</u>

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<u>.54</u>	<u>Example</u>	<u>Region 1 nonexempt AU consists of mother and one child. Aided mother has \$600 gross income. Also living in the home is: 1) an ineligible alien child of the aided mother who receives \$150 per month from the absent father; 2) the ineligible alien spouse of the aided parent; 3) an ineligible alien child in common with the aided parent who has no deprivation and 4) an ineligible alien separate child of the spouse. The spouse has \$390 earned income. No child care is paid by the family.</u>
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There are 6 people in the family. The family's total gross income is \$1140.

<u>\$600</u>	<u>Aided Mother's Income</u>
<u>+ \$150</u>	<u>Ineligible Alien Child's Income</u>
<u>+ \$390</u>	<u>Spouse's Income</u>
<u>= \$1140</u>	<u>Family's Total Income</u>

First Step: Compare gross income of \$1140 to \$2121 (185% of MBSAC for 6). Family passes gross test.

Second Step: Complete the net test.

<u>\$600</u>	<u>(Aided mother's gross income)</u>
<u>- \$120</u>	<u>(SWE and \$30 disregards)</u>
<u>= \$480</u>	
<u>- \$160</u>	<u>(1/3 disregard)</u>
<u>= \$320</u>	<u>Aided mother's net nonexempt income</u>

<u>\$390</u>	<u>(Spouse's earned income)</u>
<u>- \$100</u>	<u>(Support paid to other not living at home)</u>
<u>- \$ 90</u>	<u>(Standard Work Expense Disregard)</u>
<u>= \$200</u>	<u>Spouse's net income</u>

\$150 Child's income has no deductions

\$320 + \$200 + \$150 = \$670 Family's net income to be compared to \$1147 (MBSAC for 6). Family passes net income test.

Third Step: Grant computation.

<u>\$1147</u>	<u>(MBSAC for 6)</u>
<u>- \$670</u>	<u>(Family's net nonexempt income)</u>
<u>= \$477</u>	<u>Potential Grant</u>

\$456 (MAP for 2)

\$477 > \$456 = Grant for AU is \$456

HANDBOOK ENDS HERE

Authority Cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code.

Reference: Sections 10553, 10554, 10604, 11450, 11452, 11453, and 11486, Welfare and Institutions Code; 45 CFR 205.50(a)(1)(i)(A); 45 CFR 233.20(a)(1)(i); 45 CFR 233.20(a)(3)(ii)(C), (a)(3)(vi)(B), (a)(3)(xiv), (a)(3)(xiv)(B), and (xviii); 45 CFR 233.50(A)(c); and 45 CFR 233.90(c)(2)(i); Family Support Administration Action Transmittal 91-15 (FSA-AT-91-15), dated April 23, 1991; and Omnibus Budget Reconciliation Act (OBRA) of 1990; U.S. Department of Health and Human Services Federal Action Transmittal No. FSA-AT-91-4 dated February 25, 1991; Simpson v. Hegstrom, 873 F.2d 1294 (1989); Ortega v. Anderson, Case No. 746632-0 (Alameda Superior Court) July 11, 1995; and Federal Register, Vol. 58, No. 182, pages 49218 - 20, dated September 22, 1993 and 42 USC 602(a)(39).

Amend Section 44-207 to read:

44-207 INCOME ELIGIBILITY (Continued)

44-207

.1 (Continued)

.11 (Continued)

.111 The MBSAC is the amount of money which is necessary to provide an ~~FB~~U AU with the following: (Continued)

.2 185 Percent Income Limit for Eligibility

.21 Description of 185 Percent Income Limit

The AU is ineligible any month in which the total reported or anticipated gross income and any deemed income of the AU and of any ineligible alien family members, plus all countable income pursuant to Section 44-133 for that month exceeds 185 percent of the combined Minimum Basic Standard of Adequate Care (MBSAC) and the value of any special needs.

.211 After application of the appropriate exemptions and exclusions not otherwise precluded by this section, income considered in the 185 percent income limit is the total of gross income as defined in Chapter 44-100. For purposes of the 185 percent income limit, the following exceptions shall apply: (Continued)

(b) The child/spousal support collected by the county shall be included in gross income, except as specified in Section 44-111.47 and Section 44-314.6. (Continued)

.22 Applying the 185 Percent Income Limit

The 185 percent income limit shall be applied to reported income and anticipated income.

.221 Reported Income

(a) When the income for the budget month reported on the Monthly Eligibility Report (~~CA-7~~) exceeds the 185 percent income limit for that month, the ~~FB~~U AU shall be ineligible.

- (b) When the income results in ineligibility for the ~~FBU~~ AU and it appears that this level of income will continue, the aid shall be discontinued as soon as administratively possible. Any aid payments received for the month the excess income was received and for the subsequent month are overpayments.
- (c) When the income results in ineligibility for the ~~FBU~~ AU and it appears this level of income will not continue, the ~~FBU's~~ AU's aid payment shall be suspended for the payment month. See Section 44-315.6.
- (d) When the income received in the first or second month of aid exceeds the 185 percent income limit and it appears this level of income will not continue, any aid payment received by the ~~FBU~~ AU in the month the excess income was received is an overpayment. See Section 44-313.1.

.222 Anticipated Income (Continued)

- (b) When the estimated income exceeds the 185 percent income limit, the ~~FBU~~ AU shall be ineligible for the payment month and aid shall be discontinued. For a month in which income is to be retrospectively budgeted (see Section 44-313.2) and for purposes of applying Section 44-207.222 only, estimated income shall not include the anticipated receipt of a regular and periodic extra paycheck. (Continued)

.3 Financial Eligibility

- .31 The ~~FBU~~ AU is financially eligible for any month in which on the first of the month the combined actual or estimated net nonexempt income for the month of members of the ~~FBU~~ AU plus all other countable income pursuant to Section 44-133 is less than the Minimum Basic Standard of Adequate Care (MBSAC) for the AU and ineligible alien family members (if applicable) plus the value of any special need(s).

Example:

~~A family consisting of a parent and one child has a net income of \$420. They have a nonrecurring special need of \$50. Assume the MBSAC for two is \$408*. Since the net income of \$420 is less than \$458 (\$408* MBSAC plus \$50 nonrecurring special need), the family is financially eligible.~~

~~*These MBSAC amounts are subject to change. Use current amounts for the appropriate size FBU specified in 44-207.112.~~

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.311 Example:

A family consisting of a parent and one child has a net income of \$420. They have a nonrecurring special need of \$50. Assume the MBSAC for two is \$408*. Since the net income of \$420 is less than \$458 (\$408* MBSAC plus \$50 nonrecurring special need), the family is financially eligible.

*These MBSAC amounts are subject to change. Use current amounts as specified in Section 44-207.112.

.312 Example:

Region 1 nonexempt AU consists of mother and one child. Also living in the home is: 1) ineligible alien spouse of aided mother (stepfather to the recipient child) and 2) an ineligible alien child in common (half-sibling of the recipient child). Ineligible alien stepfather has \$750 gross earned income.

\$ 750	Gross Earnings
-90	Work Expense Disregard
\$ 660	Subtotal
-150	Court Ordered Child Support Paid to a Child not Living in the Home
\$ 510	Net Nonexempt Income

\$510 < \$895 (MBSAC for 4, AU plus non-AU family members)

The AU passes financial eligibility.

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.32 Net Nonexempt Income

.321 Net Nonexempt Income is gross income (~~including current child support payments collected by the county and the earnings by part-time student applicants~~) for the AU and ineligible alien family members (if applicable), minus all applicable income exemptions (listed in Section 44-111) and income deductions (listed in Section 44-113).

(a) Gross income includes: 1) earnings by part-time student applicants; and 2) current child support payments collected by the county, but does not include child support payments collected by the county for a child subject to MFG, see Section 44-314.6.

.4 Treatment of Lump Sum Income (Continued)

.41 Definition of Lump Sum Income (Continued)

.413 Lump sum income received by a person in the AU who is not required to be in the AU pursuant to the mandatory inclusion provisions at Section 82-820.3 is treated as follows: (Continued)

(c) The person(s) removed from the AU shall serve a POI computed as follows: (Continued)

(2) Divide the remaining lump sum income plus the net nonexempt income in the budget month of all persons serving the POI by the MBSAC plus any special needs for the number of persons serving the POI. ~~When an ineligible alien child with unmet needs lives in the home with an aided parent who receives the lump sum, the MBSAC shall be increased for each such child.~~ When ineligible alien family members pursuant to Section 44-133.5 live in the home, the MBSAC shall be increased for each ineligible alien family member. (Continued)

.414 Lump sum income is not subject to the lump sum income computation when it is received by:

(a) A stepparent living in the same household as the AU but who is not included in the AU as an applicant, recipient or essential person.

(b) A person who is excluded from the AU by law.

.415 Income of a stepparent who is not included in the AU or a person excluded from the AU by law shall be considered available to the AU. The amount of income available to the AU is determined by applying the appropriate ~~deeming~~ computation (Section 44-133). If the countable income, including the lump sum, exceeds the AU's MBSAC plus any special needs for the AU plus the ineligible alien family members for the month, the AU is ineligible for that month (see Section 44-315.8 for regulations governing one-month suspensions). Any portion of the lump sum income retained by the stepparent or the person excluded from the AU by law subsequent to the month of receipt represents property (see Sections 42-203.5, 42-205.3, and 42-205.4). (Continued)

.42 Lump Sum Income Computation

The following computation applies to lump sum income which was received but not reported to the county, and to reported lump sum income received in the budget month.

- .421 Divide the total of the lump sum income, plus any other net nonexempt income received in the budget month by the total of the MBSAC plus any special needs. ~~When an ineligible alien child with unmet needs lives in the home with an aided parent who receives a lump sum, the MBSAC shall be increased for each such child.~~ When ineligible alien family members pursuant to Section 44-133.5 live in the home, the MBSAC shall be increased for each ineligible alien family member.
- .422 The resulting whole number is the number of months of ineligibility for the FBU AU. (Continued)
- ~~.424 When the total of the lump sum income plus other net nonexempt income does not exceed the total of MBSAC plus special needs, apply the 150 percent income limit. (See Section 44-207.2.) (Continued)~~

Authority Cited: Sections 10553, 10554, 11450, and 11453, Welfare and Institutions Code.

Reference: Sections 10553, 10554, 11017, 11157, 11255, and 11280, Welfare and Institutions Code; 45 CFR 206.10(a)(1)(vii); 45 CFR 233.20(a)(2)(i) and (xiii); (a)(3)(ii)(F), (a)(3)(vi)(B), (a)(3)(xiv), and (a)(3)(xiv)(B); and Darces v. Woods (1984) 35 Cal. 3d 871; Petrin v. Carlson Court Order, Case No. 638381, May 12, 1993; Rutan v. McMahon, Case No. 612542-L (Alameda Superior Court) February 19, 1988; Letter from Department of Health and Human Services (DHSS), December 5, 1990; Johnson v. Carlson Stipulated Judgement; Ortega v. Anderson, Case No. 746632-0 (Alameda Superior Court) July 11, 1995; Federal Terms and Conditions for the California Assistance Payments Demonstration Project as approved by the United States Department of Health and Human Services on October 30, 1992; Federal Terms and Conditions for the California Work Pays Demonstration Project as approved by the United States Department of Health and Human Services on March 9, 1994; United States Department of Health and Human Services, Office of Family Assistance, Aid to Families with Dependent Children Action Transmittal No. ACF-AT-95-10 dated September 19, 1995; and Letters from the Department of Health and Human Services, Administration for Children and Families, dated February 29, 1996, March 11, 1996, and March 12, 1996.

Amend Section 44-352.4 to read:

44-352 OVERPAYMENT RECOUPMENT (Continued)

44-352

.4 Methods of Recovery (Continued)

.41 Grant Adjustments (Continued)

.411 Step One Determine the sum of the AU's total available income and liquid resources in the payment month by adding together the following:

(a) Agency Error For overpayments caused by agency error, (Continued)

(2) The AU's gross earned income less: (Continued)

(iii) ~~Any deduction necessary to meet the unmet needs of an ineligible alien child as specified in Section 44-113.14, plus~~

(3) Other net nonexempt income, less:

(i) ~~Any deduction necessary to meet the unmet needs of an ineligible alien child as specified in Section 44-113.14, plus (Continued)~~

(b) Other For all other overpayments, (Continued)

(2) The AU's gross earned income, (Continued)

(ii) ~~Less any deduction necessary to meet the unmet needs of an ineligible alien child as specified in Section 44-113.14, plus~~

(3) Other net nonexempt income, less:

(i) ~~Any deduction necessary to meet the unmet needs of an ineligible alien child as specified in Section 44-113.14, plus (Continued)~~

Authority Cited: Sections 10553, 10554, and 11004(h), Welfare and Institutions Code.

Reference: Sections 10553, 10554, 11004, 11017, 11155, 11155.1, 11155.2, 11257, 11450, 11452, and 11453, Welfare and Institutions Code; 45 CFR 233.20(a)(3)(i)(B) and (a)(13); Darces v. Woods (1984) 35 Cal.3rd 871:201 Cal.Rptr. 807; Ortega v. Anderson, Case No. 746632-0 (Alameda Superior Court) July 11, 1995; ~~and~~ the Federal Terms and Conditions for the California Work Pays Demonstration Project as approved by the United States Department of Health and Human Services on March 9, 1994; 45 CFR 233.20(a)(13); and Administration for Children and Families (ACF) Action Transmittals (AT) 94-11 and 94-20.

ATTACHMENT 1

TEMP CA 30

Effective from 9/1/95 - 12/30/97, the TEMP CA 30 must be used when an assistance unit (AU) that contains an ineligible alien family member(s) has income. Additionally, the TEMP CA 30 must be used when retroactivity is determined.

IMPLEMENTATION ISSUES

PAGE 1

- Counties need to list "FAMILY MEMBERS" rather than members of the "ASSISTANCE UNIT." Next to each person's name check if that person is an AU or NON-AU member, an adult or child, and if the MFG rules apply.
- In Section A, now consider the Minimum Basic Standard of Adequate Care (MBSAC) plus the Special need for number of family members not the number of AU members.

PAGE 2

- Part A
 1. The term "Family Members" replaces the term "Persons."
 2. Gross Income is determined from B 3 and B11 because of the revisions to the sequence in the budget calculation. Additionally, the narrative for the collection of child support is modified to include "except if a child subject to MFG."
- Part B
 - 4-5. These items are combined into new 4a and 4b. Narrative is added to 4b to indicate that only AU members are eligible for the \$30 Disregard.
 6. Narrative is added to 6 to indicate that only AU members are eligible for the 1/3 Disregard.
 11. Item B12 from the prior revision is rephrased to read "All court ordered child/spousal support paid for persons living outside the home."

CASE NAME:										CASE NUMBER:										WORKER NUMBER:									
Payment Month <input type="checkbox"/> Exempt from MAP Cuts FAMILY MEMBERS		Check (✓)					Payment Month <input type="checkbox"/> Exempt from MAP Cuts FAMILY MEMBERS		Check (✓)					Payment Month <input type="checkbox"/> Exempt from MAP Cuts FAMILY MEMBERS		Check (✓)													
		AU	NON AU	ADULT	CHILD	MFG			AU	NON AU	ADULT	CHILD	MFG			AU	NON AU	ADULT	CHILD	MFG									
TOTAL							TOTAL							TOTAL															
A. Minimum Basic Standard of Adequate Care (MBSAC)/Rate for _____ Persons (AU & Non-AU)		\$					A. Minimum Basic Standard of Adequate Care (MBSAC)/Rate for _____ Persons (AU & Non-AU)		\$					A. Minimum Basic Standard of Adequate Care (MBSAC)/Rate for _____ Persons (AU & Non-AU)		\$													
1. Special Needs (Other than Homeless Assistance)		+					1. Special Needs (Other than Homeless Assistance)		+					1. Special Needs (Other than Homeless Assistance)		+													
2. Net Nonexempt Income (Enter Item (B) 13 from Side 2)		-					2. Net Nonexempt Income (Enter Item (B) 13 from Side 2)		-					2. Net Nonexempt Income (Enter Item (B) 13 from Side 2)		-													
3. Potential Grant		\$					3. Potential Grant		\$					3. Potential Grant		\$													
B. Maximum Aid Payment (MAP)/Rate for _____ Persons (AU)		\$					B. Maximum Aid Payment (MAP)/Rate for _____ Persons (AU)		\$					B. Maximum Aid Payment (MAP)/Rate for _____ Persons (AU)		\$													
1. Special Needs (Other than Homeless Assistance)		+					1. Special Needs (Other than Homeless Assistance)		+					1. Special Needs (Other than Homeless Assistance)		+													
2. MAP plus Special Needs		\$					2. MAP plus Special Needs		\$					2. MAP plus Special Needs		\$													
C. Aid Payment (Lesser of A3 or B2)		\$					C. Aid Payment (Lesser of A3 or B2)		\$					C. Aid Payment (Lesser of A3 or B2)		\$													
Proration figure Date:		X					Proration figure Date:		X					Proration figure Date:		X													
D. Prorated Aid Payment		\$					D. Prorated Aid Payment		\$					D. Prorated Aid Payment		\$													
E. Homeless Assistance		+					E. Homeless Assistance		+					E. Homeless Assistance		+													
F. Adjustments:							F. Adjustments:							F. Adjustments:															
1. Overpayments		-					1. Overpayments		-					1. Overpayments		-													
2. Cal-Learn Penalty		-					2. Cal-Learn Penalty		-					2. Cal-Learn Penalty		-													
3. Cal-Learn Bonus		+					3. Cal-Learn Bonus		+					3. Cal-Learn Bonus		+													
G. Adjusted Aid Payment		\$					G. Adjusted Aid Payment		\$					G. Adjusted Aid Payment		\$													
BUDGET RECOMPUTATION																													
H. Actual Cash Aid Paid		\$					H. Actual Cash Aid Paid		\$					H. Actual Cash Aid Paid		\$													
I. Correct Cash Aid Amount		-					I. Correct Cash Aid Amount		-					I. Correct Cash Aid Amount		-													
J. Subtotal		=					J. Subtotal		=					J. Subtotal		=													
K. Actual Cash Aid Paid		\$					K. Actual Cash Aid Paid		\$					K. Actual Cash Aid Paid		\$													
L. Child/Spousal Support Collected (Except for MFG)		-					L. Child/Spousal Support Collected (Except for MFG)		-					L. Child/Spousal Support Collected (Except for MFG)		-													
M. Subtotal		=					M. Subtotal		=					M. Subtotal		=													
N. Overpayment Amount (Lesser of Subtotal J or M)		\$					N. Overpayment Amount (Lesser of Subtotal J or M)		\$					N. Overpayment Amount (Lesser of Subtotal J or M)		\$													
O. Underpayment Amount (If G is larger than H)		\$					O. Underpayment Amount (If G is larger than H)		\$					O. Underpayment Amount (If G is larger than H)		\$													
EW INITIAL AND DATE					AUTHORIZATION DATE					EW INITIAL AND DATE					AUTHORIZATION DATE					EW INITIAL AND DATE					AUTHORIZATION DATE				

INCOME COMPUTATION

(A) 185% INCOME TEST (FOR AU & NON-AU FAMILY MEMBERS)

Budget Month _____
for _____
Payment Month _____

Budget Month _____
for _____
Payment Month _____

Budget Month _____
for _____
Payment Month _____

1. 185% of MBSAC plus Special Needs for _____ Family Members (AU & Non-AU)

=

2. Gross Income
(B) 3 plus (B) 9 plus excluded persons gross income.
Include child support collected by the county, except if a child subject to MFG.)

=

3. Gross Income Eligible
(A) 1 exceeds (A) 2)

☐ YES ☐ NO

☐ YES ☐ NO

☐ YES ☐ NO

(B) NET INCOME TEST (FOR AU & NON-AU FAMILY MEMBERS)

Person 1 (✓)		Person 2 (✓)		Person 3 (✓)		Person 1 (✓)		Person 2 (✓)		Person 3 (✓)		Person 1 (✓)		Person 2 (✓)		Person 3 (✓)	
AU	NON-AU	AU	NON-AU	AU	NON-AU	AU	NON-AU	AU	NON-AU	AU	NON-AU	AU	NON-AU	AU	NON-AU	AU	NON-AU

1. Gross Earned Income

\$

2. Net Income from Self-Employment Earnings
(from (C) 3 below)

+

3. Total Earned Income

=

4. a. Work expense disregard (if applicable)

-

b. Disregard \$30 (AU only)

-

5. Subtotal

=

6. Disregard 1/3 of Subtotal in B5 above
(AU only)

-

7. Subtotal

=

8. Dependent care expense disregard
(a) Incapacitated Individual

-

(b) 1st Child-Allowable Disregard,

☐ Under 2 ☐ 2 & Over

-

Subtotal

=

(c) 2nd Child-Allowable Disregard, or if greater than
subtotal, portion used

☐ Under 2 ☐ 2 & Over

-

Subtotal

=

9. Other Countable Income: (Specify)

+

+

10. Support paid to other(s) not living in the home
claimed as federal tax dependent(s) (Non-AU only)

-

11. All court ordered child/spousal support paid for
persons living outside the home

-

12. Total Net Nonexempt Income

=

13. Family Total
(Enter in A2 on Side 1)

=

\$
=

\$
=

\$
=

(C) EARNINGS FROM SELF-EMPLOYMENT

1. Gross Earnings from Self-Employment

\$

2. Business Expenses: (Specify)

-

-

-

-

3. Net Business Income

\$

(C) 1 minus (C) 2. Enter in (B) 2 above)

=

ATTACHMENT 2

NA FORMS TRANSMITTED IN THIS LETTER

- ▶ **TEMP NA 200** Multipurpose - Including Budget
- ▶ **TEMP NA 210** Deny, Discontinue, Suspend - Financial Eligibility and Lump Sum
- ▶ **NA 274D** Continuation Page - Overpayment Computation (09/1/91+)
- ▶ **TEMP NA 275** Continuation Page - Overpayment Adjustment Computation
- ▶ **TEMP NA 277** Continuation Page - Optional Persons Financial Eligibility and Lump Sum
- ▶ **TEMP NA 278** Discontinue/Suspend - Optional Persons Financial Eligibility and Lump Sum
- ▶ **TEMP NA 300** Continuation Page - Financial Eligibility/185% Tests.

EFFECTIVE DATE AND STOCK

All of the NOAs, which are effective November 1, 1997, must be used when an AU contains an Non-AU family member that has income. Counties have the option of using up prior stock for all other cases. The NOAs will be camera-ready only.

DESCRIPTION OF CHANGES TO THE NA FORMS FOR ORTEGA

ALL NOAs

- In the budget computation sections, current narrative regarding the "Unmet Needs of Ineligible Alien Child(ren)" is deleted.
- As appropriate, each NOA is revised to reflect the specific income deductions presented in this transmittal.
- Each of the revised NOAs is given a TEMP[ORARY] number, except for the NA 274D, which is a valid form for all overpayment calculations from 9/1/95-12/31/97.

TECHNICAL CHANGES

- NA 275 - the calculation lines for "Work Expense Disregard and the Dependent Care Disregard" in the "NOT CAUSED BY COUNTY ERROR" are deleted. These lines should have been deleted at the last revision (as the recipient is not entitled to these disregards when it is a client caused error).
- NA 277 - The form's title (in the footnote line after the form number) is corrected from "Option Persons" to "Optional Persons."

FOR HOLDERS OF THE AFDC NOA HANDBOOK

File the English language NA forms in Section 5 of your AFDC NOA Handbook. Counties may remove the earlier revisions when they are no longer used in the county, as discussed above under "Effective Date." The instructions for each of the NA forms transmitted in this notice have not been revised.

Effective September 1, 1995, the following NOAs are obsolete; however, they may continue to be used for cases prior to August 31, 1995:

- **NA 272** Continuation Page Income of Aided Parent/Ineligible Alien
- **NA 276** Continuation Page Computation of Unmet Needs of Ineligible Alien(s)

CAMERA-READY COPIES AND TRANSLATIONS

NOAs: Camera-ready copies of the English and Spanish language versions may be obtained by calling the Forms Management Bureau at (916) 657-1907 or CALNET at 437-1907. For Asian language (Chinese, Cambodian, and Vietnamese) versions, counties may FAX their requests to the Language Services Bureau at (916) 657-3429 or CALNET 473-3429, or, if only one form is being ordered, they may call (916) 464-1282.

CA 30: Camera-ready copies can be obtained from the Forms Management Bureau at (916) 657-1907 or CALNET at 437-1907.

NOTICE OF ACTION

COUNTY OF _____

STATE OF CALIFORNIA
HEALTH AND WELFARE AGENCY
DEPARTMENT OF SOCIAL SERVICES

Notice Date : _____
Case Name : _____
Number : _____
Worker Name : _____
Number : _____
Telephone : _____
Address : _____

(ADDRESSEE)

Questions? Ask your Worker.

State Hearing: If you think this action is wrong, you can ask for a hearing. The back of this page tells how. Your benefits may not be changed if you ask for a hearing before this action takes place.

Monthly Cash Aid Amount

Section A. Countable Income, Month of _____

Total Earned Income..... \$ _____
Work Expense Disregard..... - _____
\$30 and 1/3 Disregard (Assistance Unit only) ... - _____
Dependent Care Disregard (Assistance Unit only)- _____
Other Countable Income -- Sources:

_____ + _____
_____ + _____
Court Ordered Child/Spousal Support Paid for
Persons Not Living in the Home - _____
Support paid to other(s) not living in the home
claimed as federal tax dependent..... - _____
(Non-Assistance Unit only)

Net Countable Income..... = _____

Section B. Your Cash Aid, Month of _____

1. Basic Need, _____ Persons..... \$ _____
2. Special Needs + _____
3. Net Countable Income from Section A..... - _____
4. Basic Need Subtotal =

5. Maximum Aid, _____ Persons \$ _____
6. Special Needs + _____
7. Maximum Aid Subtotal =

8. Full Month Aid Subtotal
(Lowest Amount on Line 4, 7 or 14) = _____

9. Line 8 Prorated for Part of Month = _____

10. Adjustments: Collect Overpayment - _____

10a. Cal-Learn Penalty - _____

10b. Cal-Learn Bonus..... + _____

11. Monthly Cash Aid Amount
(Line 8 or 9 Adjusted) = _____

12. Other State's Maximum Aid, _____ Persons \$ _____

13. Special Needs (California)..... + _____

14. Other State Subtotal =

Medi-Cal: This Notice of Action does NOT change or stop Medi-Cal benefits. **Keep your plastic Benefits Identification Card(s).**

Rules: These rules apply; you may review them at your welfare office: MPP

To Ask For a State Hearing

- ## To Keep Your Same Benefits While You Wait For a Hearing

You must ask for a hearing before the action takes place.

- Your Cash Aid will stay the same until your hearing.
- Your Medi-Cal will stay the same until your hearing.
- Your Food Stamps will stay the same until the hearing or the end of your certification period, whichever is earlier.
- Your Transitional Child Care (TCC) will stay the same until the hearing or the end of your eligibility period, whichever is earlier. **For all other child care programs, your benefits will NOT stay the same until your hearing.**
- If the hearing decision says we are right, you will owe us for any extra cash aid or food stamps you got.

To Have Your Benefits Cut Now

If you want your Cash Aid or Food Stamps cut while you wait for a hearing, check one or both boxes.

- ☐ Cash Aid ☐ Food Stamps

To Get Help

You can ask about your hearing rights or free legal aid at the state information number.

Call toll free: 1-800-952-5253

If you are deaf and use TDD, call: 1-800-952-8349

You may get free legal help at your local legal aid office or welfare rights group.

Other Information

Child and/or Medical Support: The District Attorney's office will help you collect support even if you are not on cash aid. There is no cost for this help. If they now collect support for you, they will keep doing so unless you tell them in writing to stop. They will send you any current support money collected. They will keep past due money collected that is owed to the county.

Family Planning: Your welfare office will give you information when you ask for it.

Hearing File: If you ask for a hearing, the State Hearing Office will set up a file. You have the right to see this file. The State may give your file to the Welfare Department, the U.S. Department of Health and Human Services and the U.S. Department of Agriculture. (W. & I. Code Section 10950).

The best way to ask for a hearing is to fill out this page. Make a copy of the front and back for your records. Then, send or take this page to:

Your worker will get you a copy of this page if you ask. Another way to ask for a hearing is to call 1-800-952-5253. If you are deaf and use TDD, call: 1-800-952-8349.

HEARING REQUEST

I want a hearing because of an action by the Welfare Department
of _____ County about my _____

- ☐ Cash Aid ☐ Food Stamps ☐ Medi-Cal ☐ Child Care
☐ Other (list) _____

Here's why:

- ☐ Check here and add a page if you need more space.
- ☐ I want the person named below to represent me at this hearing.
I give my permission for this person to see my records or come
to the hearing for me.

NAME _____

ADDRESS _____

- ☐ I need a free interpreter.
My language or dialect is: _____

My name: _____

Address: _____

Phone: _____

My case number: _____

My signature: _____

Date: _____

NOTICE OF ACTION

COUNTY OF _____

STATE OF CALIFORNIA
HEALTH AND WELFARE AGENCY
DEPARTMENT OF SOCIAL SERVICES

DENY, DISCONTINUE, SUSPEND- FINANCIAL ELIGIBILITY/LUMP SUM

Notice Date : _____
Case Name : _____
Number : _____
Worker : _____
Name : _____
Number : _____
Telephone : _____
Address : _____

(ADDRESSEE)

Questions? Ask your Worker.

State Hearing: If you think this action is wrong, you can ask for a hearing. The back of this page tells how. Your benefits may not be changed if you ask for a hearing before this action takes place.

Net Countable Income

Total Earned Income	\$	_____
Work Expense Disregard	-	_____
\$30 and 1/3 Disregard (Assistance Unit only)-		_____
Dependent Care Disregard	-	_____
(Assistance Unit only)		_____
Other Countable Income (list sources)		_____
_____	+	_____
_____	+	_____
_____	+	_____
Child Support Collected by the County, Except for a Child Covered by Maximum Family Grant (for financial eligibility only)	+	_____
Court Ordered Child/Spousal Support Paid for Persons Not Living in the Home	-	_____
Support paid to other(s) not living in the home claimed as federal tax dependent (Non-Assistance Unit Only)	-	_____
(A) Net Countable Income	=	_____

Family Needs

Basic Need for _____ Persons	\$	_____
Special Needs	+	_____
(B) Family Needs	=	_____

☐ Lump Sum Ineligibility

Your net countable income (A) divided
by your family needs (B) equals the
number of ineligible months:

There is a remainder of	\$	_____
It counts against your grant in		_____
		(MONTH)

☐ You are not financially eligible in

(MONTH)

Medi-Cal: This Notice of Action does NOT change or stop Medi-Cal benefits. Keep your plastic Benefits Identification Card(s).

Rules: These rules apply; you may review them at your welfare office:

To Ask For a State Hearing

- ## To Keep Your Same Benefits While You Wait For a Hearing

You must ask for a hearing before the action takes place.

- Your Cash Aid will stay the same until your hearing.
- Your Medi-Cal will stay the same until your hearing.
- Your Food Stamps will stay the same until the hearing or the end of your certification period, whichever is earlier.
- Your Transitional Child Care (TCC) will stay the same until the hearing or the end of your eligibility period, whichever is earlier. **For all other child care programs, your benefits will NOT stay the same until your hearing.**
- If the hearing decision says we are right, you will owe us for any extra cash aid or food stamps you got.

To Have Your Benefits Cut Now

If you want your Cash Aid or Food Stamps cut while you wait for a hearing, check one or both boxes.

- ☐
- Cash Aid
- ☐
- Food Stamps

To Get Help

You can ask about your hearing rights or free legal aid at the state information number.

Call toll free: 1-800-952-5253

If you are deaf and use TDD, call: 1-800-952-8349

You may get free legal help at your local legal aid office or welfare rights group.

Other Information

Child and/or Medical Support: The District Attorney's office will help you collect support even if you are not on cash aid. There is no cost for this help. If they now collect support for you, they will keep doing so unless you tell them in writing to stop. They will send you any current support money collected. They will keep past due money collected that is owed to the county.

Family Planning: Your welfare office will give you information when you ask for it.

Hearing File: If you ask for a hearing, the State Hearing Office will set up a file. You have the right to see this file. The State may give your file to the Welfare Department, the U.S. Department of Health and Human Services and the U.S. Department of Agriculture. (W. & I. Code Section 10950).

The best way to ask for a hearing is to fill out this page. Make a copy of the front and back for your records. Then, send or take this page to:

Your worker will get you a copy of this page if you ask. Another way to ask for a hearing is to call 1-800-952-5253. If you are deaf and use TDD, call: 1-800-952-8349.

HEARING REQUEST

I want a hearing because of an action by the Welfare Department
of _____ County about my

- ☐ Cash Aid ☐ Food Stamps ☐ Medi-Cal ☐ Child Care
☐ Other (list) _____

Here's why: _____

- ☐ Check here and add a page if you need more space.
- ☐ I want the person named below to represent me at this hearing.
I give my permission for this person to see my records or come
to the hearing for me.

NAME _____

ADDRESS _____

- ☐ I need a free interpreter.
My language or dialect is: _____

My name: _____

Address: _____

Phone: _____

My case number: _____

My signature: _____

Date: _____

NOTICE OF ACTION

COUNTY OF _____

STATE OF CALIFORNIA
HEALTH AND WELFARE AGENCY
DEPARTMENT OF SOCIAL SERVICES

(Continued)

Overpayment Amount Owed

(For Overpayments Occurring on or after 9/1/95 - 12/30/97)

Notice Date : _____
Case : _____
Name : _____
Number : _____

Overpayment Month and Year: _____

(A) Family Gross Income

_____	\$	_____	_____	_____	_____
_____	+	_____	_____	_____	_____
Total Gross Income (1)	=	_____	_____	_____	_____
Basic Need for _____ Persons	\$	_____	_____	_____	_____
Special Needs	+	_____	_____	_____	_____
Total Needs	=	_____	_____	_____	_____
	X	1.85	_____	_____	_____
185% of Needs (2)	=	_____	_____	_____	_____

If (1) is larger than (2), you were not eligible in that month and all the cash aid you got is an overpayment. The amount of your overpayment is figured below.

(B) Net Countable Income

Total Earned Income	\$	_____	_____	_____	_____
Work Expense Disregard	-	_____	_____	_____	_____
\$30 and 1/3 Disregard (Assistance Unit only)	-	_____	_____	_____	_____
Subtotal	=	_____	_____	_____	_____
Dependent Care Disregard (Assistance Unit only)	-	_____	_____	_____	_____
Other Countable Income (List Sources)		_____	_____	_____	_____
	+	_____	_____	_____	_____
	+	_____	_____	_____	_____
Court Ordered Child/Spousal Support Paid for Persons Not Living in the Home	-	_____	_____	_____	_____
Support paid to other(s) not living in the home claimed as federal tax dependent (Non-Assistance Unit Only)	-	_____	_____	_____	_____
Net Countable Income	=	_____	_____	_____	_____

(C) Correct Cash Aid Payment

Basic Need Amount (# persons) \$ Amount	()	_____	()	_____	()	_____	()	_____	()	_____
Special Needs	+	_____	_____	_____	_____	_____	_____	_____	_____	_____
Net Countable Income	-	_____	_____	_____	_____	_____	_____	_____	_____	_____
Subtotal A	=	_____	_____	_____	_____	_____	_____	_____	_____	_____
Maximum Aid Payment (MAP)	\$	_____	_____	_____	_____	_____	_____	_____	_____	_____
Special Needs	+	_____	_____	_____	_____	_____	_____	_____	_____	_____
Subtotal B	=	_____	_____	_____	_____	_____	_____	_____	_____	_____
Other State's MAP	\$	_____	_____	_____	_____	_____	_____	_____	_____	_____
Special Needs (California)	+	_____	_____	_____	_____	_____	_____	_____	_____	_____
Subtotal C	=	_____	_____	_____	_____	_____	_____	_____	_____	_____

Correct Cash Aid Amount

(Lesser of Subtotal A, B or C) \$ _____

(D) Overpayment

Cash Aid Paid to You	\$	_____	_____	_____	_____
Correct Cash Aid Amount	-	_____	_____	_____	_____
Subtotal D	=	_____	_____	_____	_____
Cash Aid Paid to You	\$	_____	_____	_____	_____
Support Payments Collected for You (Except for a Child Covered by Maximum Family Grant)	-	_____	_____	_____	_____
Subtotal E	=	_____	_____	_____	_____
Amount of Overpayment for Each Month (Lesser of Subtotal D or E)	=	_____	_____	_____	_____

Rules: These rules apply; you may review them at your Welfare Office: MPP 44-352.12

State Hearing: If you think this action is wrong, you can ask for a hearing. The back of Page 1 tells how.

TOTAL OVERPAYMENT (All Months) \$ _____

NOTICE OF ACTION

(Continued)

COUNTY OF _____

STATE OF CALIFORNIA
HEALTH AND WELFARE AGENCY
DEPARTMENT OF SOCIAL SERVICES

Notice Date : _____
Case Name : _____
Number : _____

Overpayment Adjustment:

Amount to be Taken From Monthly Payment

NOT CAUSED
BY COUNTY
ERROR

CAUSED BY
COUNTY
ERROR

Cash Aid Subtotal (from Page 1)
Total Earned Income
Work Expense Disregard
Dependent Care Disregard (Assistance Unit only)
Other Countable Income
Court Ordered Child/Spousal Support Paid
for Persons Not Living in the Home
Support paid to other(s) not living in the home
claimed as federal tax dependent (Non-Assistance
Unit Only)
Liquid Resources (list)

\$ _____
+ _____
- _____
+ _____
- _____
- _____
+ _____
+ _____
+ _____
= _____

\$ _____
+ _____
- _____
- _____
+ _____
- _____
+ _____
+ _____
+ _____
= _____

SUBTOTAL A

Maximum Aid Payment (MAP)
Special Needs

\$ _____
+ _____
= _____

\$ _____
+ _____
= _____

Adjustment Factor

SUBTOTAL B

= _____ x.90

= _____ x.95

HIGHEST ADJUSTMENT ALLOWED (A minus B)

\$ _____

\$ _____

Your overpayment adjustment amount is:

\$ _____

\$ _____

[This is the highest adjustment allowed, or
the total overpayment owed, or the cash aid
Subtotal (from page 1), whichever is less.]

Overpayment Still Owed

Beginning Overpayment Balance
Overpayment Adjustment Amount
Ending Overpayment Balance

\$ _____
- _____
\$ _____

Rules: These rules apply; you may review them at your
Welfare Office: MPP 44-352.41.

State Hearing: If you think this action is wrong, you can ask for
a hearing. The back of page 1 tells how.

NOTICE OF ACTION

COUNTY OF _____

STATE OF CALIFORNIA
HEALTH AND WELFARE AGENCY
DEPARTMENT OF SOCIAL SERVICES

(Continued)

Optional Persons Lump Sum/Financial Eligibility

Notice Date : _____
Case : _____
Name : _____
Number : _____
Worker : _____
Name : _____
Number : _____
Telephone : _____
Address : _____

Net Countable Income

Total Earned Income \$ _____
Work Expense Disregard - _____
\$30 Disregard (Assistance Unit only) - _____
1/3 Disregard (Assistance Unit only) - _____
Dependent Care Disregard (Assistance Unit only) - _____
Other Countable Income _____
(list sources) _____
_____ + _____
_____ + _____
_____ + _____

Child Support Collected by the County,
Except for a Child Covered by Maximum
Family Grant (for financial eligibility only) + _____
Court Ordered Child/Spousal Support Paid
for Persons Not Living in the Home - _____
Support paid to other(s) not living in the home
claimed as federal tax dependent (Non-Assistance Unit Only) - _____

(A) Net Countable Income

= _____

Family Needs

Basic Need for _____ Persons \$ _____
Special Needs + _____

(B) Family Needs

= _____

Optional Person(s) Needs

Basic Need for _____ Persons \$ _____
Special Needs + _____

(C) Optional Person(s) Needs

= _____

Differential

Family Needs \$ _____
Optional Person(s) Needs - _____

(D) Differential

= _____

- ☐ Lump Sum Ineligibility for Optional Persons
Your net countable income (A)
minus the differential (D)
divided by the optional person(s) needs (C)
equals the number of ineligible months:

There is a remainder of \$ _____
It counts against your grant in _____
if you reapply (Month)

- ☐ You are not financially eligible in

(Month)

Rules: These rules apply; you may review them at your Welfare Office:
MPP 44-207.413

State Hearing: If you think this action is wrong, you can ask for a
hearing. The back of page 1 tells how.

NOTICE OF ACTION

COUNTY OF _____

STATE OF CALIFORNIA
HEALTH AND WELFARE AGENCY
DEPARTMENT OF SOCIAL SERVICES

Notice Date : _____
Case : _____
Name : _____
Number : _____
Worker : _____
Name : _____
Number : _____
Telephone : _____
Address : _____

(ADDRESSEE)

Questions? Ask your Worker.

State Hearing: If you think this action is wrong, you can ask for a hearing. The back of this page tells how. Your benefits may not be changed if you ask for a hearing before this action takes place.

Net Countable Income

Total Earned Income \$ _____
Work Expense Disregard - _____
\$30 Disregard (Assistance Unit only) - _____
1/3 Disregard (Assistance Unit only) - _____
Dependent Care Disregard (Assistance Unit only) - _____
Other Countable Income _____
(list sources) _____ + _____
_____ + _____
_____ + _____
Child Support Collected by the County, Except for a Child Covered by Maximum Family Grant (for financial eligibility only) + _____
Court Ordered Child/Spousal Support Paid for Persons Not Living in the Home - _____
Support paid to other(s) not living in the home claimed as federal tax dependent (Non-Assistance Unit Only) - _____

(A) Net Countable Income

Family Needs

Basic Need for _____ Persons \$ _____
Special Needs + _____

(B) Family Needs

Optional Person(s) Needs

Basic Need for _____ Persons \$ _____
Special Needs + _____

(C) Optional Person(s) Needs

Differential

Family Needs _____
Optional Person(s) Needs - _____

(D) Differential

☐ Lump Sum Ineligibility for Optional Persons
Your net countable income (A)
minus the differential (D)
divided by the optional person(s) needs (C)
equals the number of ineligible months: _____

There is a remainder of \$ _____
It counts against your grant in _____ (MONTH)
if you reapply

☐ You are not financially eligible in _____ (MONTH)

Rules: These rules apply; you may review them at your Welfare Office: MPP

To Ask For a State Hearing

- ## To Keep Your Same Benefits While You Wait For a Hearing

You must ask for a hearing before the action takes place.

- Your Cash Aid will stay the same until your hearing.
- Your Medi-Cal will stay the same until your hearing.
- Your Food Stamps will stay the same until the hearing or the end of your certification period, whichever is earlier.
- Your Transitional Child Care (TCC) will stay the same until the hearing or the end of your eligibility period, whichever is earlier. **For all other child care programs, your benefits will NOT stay the same until your hearing.**
- If the hearing decision says we are right, you will owe us for any extra cash aid or food stamps you got.

To Have Your Benefits Cut Now

If you want your Cash Aid or Food Stamps cut while you wait for a hearing, check one or both boxes.

- ☐
- Cash Aid
- ☐
- Food Stamps

To Get Help

You can ask about your hearing rights or free legal aid at the state information number.

Call toll free: 1-800-952-5253

If you are deaf and use TDD, call: 1-800-952-8349

You may get free legal help at your local legal aid office or welfare rights group.

Other Information

Child and/or Medical Support: The District Attorney's office will help you collect support even if you are not on cash aid. There is no cost for this help. If they now collect support for you, they will keep doing so unless you tell them in writing to stop. They will send you any current support money collected. They will keep past due money collected that is owed to the county.

Family Planning: Your welfare office will give you information when you ask for it.

Hearing File: If you ask for a hearing, the State Hearing Office will set up a file. You have the right to see this file. The State may give your file to the Welfare Department, the U.S. Department of Health and Human Services and the U.S. Department of Agriculture. (W. & I. Code Section 10950).

The best way to ask for a hearing is to fill out this page. Make a copy of the front and back for your records. Then, send or take this page to:

Your worker will get you a copy of this page if you ask. Another way to ask for a hearing is to call 1-800-952-5253. If you are deaf and use TDD, call: 1-800-952-8349.

HEARING REQUEST

I want a hearing because of an action by the Welfare Department
of _____ County about my

- ☐ Cash Aid ☐ Food Stamps ☐ Medi-Cal ☐ Child Care
☐ Other (list) _____

Here's why:

- ☐ Check here and add a page if you need more space.
- ☐ I want the person named below to represent me at this hearing. I give my permission for this person to see my records or come to the hearing for me.

NAME _____

ADDRESS _____

- ☐ I need a free interpreter.
My language or dialect is: _____

My name: _____

Address:

Phone: _____

My case number: _____

My signature: _____

Date: _____

NOTICE OF ACTION

COUNTY OF _____

STATE OF CALIFORNIA
HEALTH AND WELFARE AGENCY
DEPARTMENT OF SOCIAL SERVICES

(Continued)

FINANCIAL ELIGIBILITY/185% TESTS

Notice Date : _____
Case Name : _____
Number : _____
Worker Name : _____
Number : _____
Telephone : _____
Address : _____

☐ You are ineligible because your **Total Gross Income** is more than **185% of Needs**.

Family Gross Income (Assistance Unit & Non-Assistance Unit)

\$ _____

+ _____

+ _____
Total Gross Income = _____

Family Needs

Basic Need, ____ Persons \$ _____
Special Needs + _____
Total Needs = _____
x 1.85
185% of Needs = _____

☐ You are ineligible because your **Total Net Countable Income** is more than your **Total Needs**.

Net Countable Income

Total Earned Income \$ _____
Work Expense Disregard - _____
\$30 and 1/3 Disregard (Assistance Unit only) - _____
Dependent Care Disregard (Assistance Unit only) - _____
Other Countable Income--Sources:

+ _____

Court Ordered Child/Spousal Support Paid for
Persons Not Living in the Home - _____
Support paid to other(s) not living in the
home claimed as federal tax dependent
(Non-Assistance Only) - _____
Total Net Countable Income = _____

Family Needs

Basic Need, ____ Persons \$ _____
Special Needs + _____
Total Needs = _____

Rules: These rules apply; you may review them at your welfare office: MPP 44-207.2, 44-207.3

State Hearing: If you think this action is wrong, you can ask for a hearing. The back of page 1 tells how.